

## NETWORK PARTICIPATION AGREEMENT

THIS NETWORK PARTICIPATION AGREEMENT (the "Agreement") is between Blue Cross and Blue Shield of North Carolina, an independent licensee of the Blue Cross and Blue Shield Association, (herein collectively and individually, as applicable, referred to as "we" "us" and "our"), and Pioneer Health Services of Stokes County, Inc. d/b/a Pioneer Community Hospital of Stokes, a critical care hospital (herein referred to as "you" and "your") (the parties collectively referred to in this Agreement are the "parties").

WHEREAS, The parties to this Agreement seek to facilitate the efficient and cost-effective delivery of quality health care services to Members; and

WHEREAS, we contract directly or indirectly with certain employers, individuals, plan sponsors, labor unions, trusts, associations, or other organizations or entities to provide, insure, arrange for or administer the provision of Covered Services to Members; and

WHEREAS, we contract directly or indirectly with certain health care providers, intermediaries and provider organizations to provide, arrange for or administer the delivery of such Covered Services to Members; and

WHEREAS, you provide certain acute hospital Covered Services at the sites listed in the Site of Service Exhibit and wish to make those Covered Services available to our Members; and

WHEREAS, you have agreed to participate in the Benefit Plans specified herein under the terms described in this Agreement; and

WHEREAS, each party desires to enter into this Agreement to govern the terms of their relationship.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties agree as follows:

### 1. GENERAL DEFINITIONS.

The following are general definitions of technical insurance, managed care, or other terms, which apply to this Agreement, and will be construed consistent with definitions included in the applicable evidence of coverage. Terms not specifically defined in this Agreement will be defined as set forth in our Policies and Procedures, Benefit Plan materials, or other written materials, as applicable.

1.0. "Affiliate" means any of our direct or indirect subsidiaries or the direct or indirect subsidiaries of our ultimate corporate parent company.

1.1. "Benefit Plan" means the particular set of health benefits and services provided as set forth in an applicable evidence of coverage, that is issued to an individual or to a Group and that describes the terms, conditions, limitations, exclusions, benefits, rights and obligations relating to the Member's health benefits and services. The evidence of coverage may be issued by us, by an Affiliate or by another Blue Cross and/or Blue Shield plan, or through the Blue Cross and Blue Shield Association, and may be serviced by any of these parties on an insured basis or administered in the case of a self-insured group. The Benefit Plans subject to this Agreement are as set forth in the Benefit Plan Exhibit(s).

1.11. "HMO" means a health maintenance organization Benefit Plan pursuant to Article 67 of Chapter 58 of the North Carolina General Statutes, or successor thereof; for plans not governed by North Carolina law, HMO shall mean those plans designated as HMO by us in the provider manual and/or Benefit Plan Exhibit.

1.12. "Medically Necessary" or "Medical Necessity" means those Covered Services or supplies that are:

- Provided for the diagnosis, treatment, cure, or relief of a health condition, illness, injury, or disease; and, except as allowed under NCGS 58-3-255, not for experimental, investigational, or cosmetic purposes;
- Necessary for and appropriate to the diagnosis, treatment, cure, or relief of a health condition, illness, injury, disease, or its symptoms;
- Within generally accepted standards of medical care in the community;
- Not solely for the convenience of the insured, the insured's family, or the provider.

1.13. "Member" as used in this Agreement means an individual designated by us who is eligible for coverage and/or benefits and is properly enrolled in a Benefit Plan.

1.14. "NCQA" means the National Committee for Quality Assurance.

1.15. "PPO" means a preferred provider organization Benefit Plan offered by us pursuant to Article 50 of Chapter 58 of the North Carolina General Statutes, or successor thereof; for plans not governed by North Carolina law, PPO shall mean those plans designated as PPO by us in the provider manual and/or Benefit Plan Exhibit.

1.16. "Policies and Procedures" mean those rules, regulations, programs, policies and procedures adopted by us or our designee(s), including but not limited to those referenced in Section 2.3.1.

1.17. "Practitioner" means any practitioner of health care services who is duly licensed to administer such services by the state in which Covered Services are performed, subject to any licensure or regulatory limitation as to location, manner, or scope of practice.

1.18. "Provider Network" consists of those Practitioners and institutional health care providers that have entered into agreements with us to provide health care services to Members enrolled in such Member's Benefit Plan.

1.19. Additional Definitions. Additional terms may be defined in the Exhibits attached hereto.

## 2. YOUR SERVICES AND OBLIGATIONS

### 2.1. Member Services.

2.1.1. Services to be Provided. You agree to render Medically Necessary Covered Services to Members according to our Policies and Procedures and according to the terms of this Agreement. You further agree to render services in accordance with the requirements of any certificate of need issued to you and that we will not be obligated to pay you for services rendered which are not in conformance with applicable certificate of need requirements. The fact that a Practitioner may prescribe, order, or approve a service or supply does not, of itself, make it a Covered Service or Medically Necessary. Nothing herein will be construed to require you to provide Covered Services which you do not provide to the general public.

2.2.1.1 State License. You hereby represent that you are presently licensed as an acute care hospital under North Carolina law.

2.2.1.2. Certifications and Accreditations. You hereby represent that you have, and will maintain in good standing, certifications and accreditations as may be required by law or us, including but not limited to certification to participate in the Medicare Program under Title XVIII of the Social Security Act, as amended, certification to participate in the Medicaid Program under Title XIX of the Social Security Act, as amended, and accreditation by the Joint Commission on Accreditation of Healthcare Organizations. Evidence of maintaining such certifications and accreditation will be submitted to us upon request.

2.2.1.3. Qualified Workers. You hereby represent that all employees, agents, and independent contractors engaged or hired by you are qualified and if applicable, duly licensed.

2.2.1.4. Debarment. You hereby represent that you have not been debarred, (i) by the Secretary of Health and Human Services from participation in any health care program pursuant to 45 U.S.C. § 1128, or successor, or (ii) by any other federal or state agency possessing authority to debar potential government contractors, and that you are not, to your knowledge, under investigation for any such debarment. In the event that you are debarred by a federal or state agency, we may terminate this agreement immediately.

2.2.2. Credential Verification Program.

2.2.2.1. Maintenance of License. You agree to maintain, and submit to us upon request, evidence of licensure, accreditation, registration, certification, and all other credentials sufficient to meet all applicable federal and state laws and regulations and our credential verification program requirements.

2.2.2.2. Compliance With Program. You agree to comply with our credential verification program and to assist in the credentialing and recredentialing process. You further agree that we may review any and all records and documents which bear upon your credentials, whether in your possession or in the possession of other individuals or organizations.

2.2.3. Insurance. You, at your sole cost and expense, agree to procure and maintain such policies of general liability, professional liability and other insurance as is necessary to insure you and any of your employees, or agents against any claim or claims for damages arising by reason of personal injuries or death in connection with the performance of services provided by you, the use of your property and facilities, and the activities performed by you in connection with this Agreement. Each of such policies will meet or exceed the limits that were stated in BCBSNC's credentialing criteria as of your most recent credentialing by us. You must provide copies of such policies or documentation of self-insurance to us upon request.

2.2.4. Notice of Changes. You agree to notify us in writing of subsequent changes in status of any information relating to your credentials, licenses, and certifications, as well as changes in professional liability or other insurance as soon as possible but no later than ten (10) business days of your discovery of any such changes.

2.2.5. Other Required Notices. You agree to notify us promptly, but in no event later than thirty (30) business days following the occurrence of any of the following:

2.2.5.1. any change in your notice address;



Such information may include, among other things, summary information, descriptions of available services, and information regarding cost and quality. We agree that you may review and provide comments regarding any such materials that reference you, other than provider directories, prior to those materials being made available to Members and others. You further agree that any materials of any nature whatsoever developed by you or on your behalf which make reference to us will be first submitted in writing by notice to us for our prior written approval, not to be unreasonably withheld, except, however, you may list your participation under this Agreement by strictly following the brand regulation guidelines described in the provider manual.

### 3. OUR SERVICES AND OBLIGATIONS.

3.1. Certificate of Authority. We represent that we have maintained and continue to maintain appropriate licensure and authorization necessary to operate as a health insurer or health maintenance organization, as applicable, under the statutes of the State of North Carolina. We represent that we have established procedures to comply with applicable laws and regulations of state, federal and other agencies having jurisdiction over us.

#### 3.2. Administrative Services.

3.2.1. Marketing and Administration. We agree to perform or to have performed on our behalf, certain marketing, enrollment, administrative, accounting and other functions we may deem necessary to the administration of our Benefit Plans and the performance of this Agreement. We agree to make best efforts to furnish identification cards to Members prior to the Member's effective date and to educate Members in our Policies and Procedures through Member handbooks and toll-free telephone access to a Member services department.

3.2.2. Provider Directories. For the Benefit Plans in which you participate, we agree to list you in our provider directories that are made available to Members. However, should either party issue notice of termination, our obligation to list you in the provider directory will not apply during such termination notice period.

3.2.3. Member Eligibility Verification. We agree to provide a mechanism that allows you to verify Member eligibility before rendering services, based on current information held by us. Such verification may be subject to retroactive adjustments pursuant to Section 4.8.

3.2.4. Member Relationship. We agree to be responsible for making judgments and decisions concerning whether certain services or supplies are Covered Services under the Benefit Plan and the extent to which payment may or may not be made thereunder.

3.2.5. Program Information. We agree to provide a provider manual, incorporated herein by reference, containing current information concerning benefit exclusions and Policies and Procedures. We agree to update such information as changes in requirements are made, with no fewer than sixty (60) days' prior notice. To the extent your compensation is related to efficiency criteria, we agree to provide performance feedback reports or information to you.

3.2.6. Insurance. We, at our sole cost and expense, agree to procure and maintain such policies of general liability and other insurance as are necessary to insure us and our employees against any claim or claims for damages arising by reason of personal injuries or death occasioned directly or indirectly in connection with the use of any property and facilities provided by us and the activities performed by us in connection with the Agreement. Such policies will be made available to you for your examination at our corporate office during normal business hours.

unless (a) you have undertaken reasonable collection efforts and are unable to collect the Deductible, Coinsurance, or Copayment; or (b) you have determined that the particular Member is indigent, or (c) such waiver is in compliance with your written policy approved and on file with us, such approval not to be unreasonably withheld. Any such amounts waived by you contrary to this Section 4.4 will be deducted from the amount you are otherwise entitled to pursuant to this Agreement.

4.5. Hold Harmless.

4.5.1. Payment in Full. You agree to accept the amounts due in accordance with the attached Reimbursement Exhibit(s), including applicable Deductibles, Coinsurance and Copayments, as payment in full for Medically Necessary Covered Services provided to Members of the Benefit Plans corresponding to the Reimbursement Exhibit(s). The amounts due may differ based on the specific product as a result of different benefit designs and claims adjudication methodologies. In no event, including but not limited to our non-payment or insolvency or breach of this Agreement, will you seek payment from a Member or third party for Medically Necessary Covered Services provided to Members, including but not limited to subrogation and workers' compensation, except as otherwise provided in this Section 4.5.

4.5.2. Timeliness of Claim Submission. You agree not to bill, charge, seek compensation or remuneration or reimbursement, or collect from the Member or us any amount for services or supplies provided to a Member for which a claim was not submitted to us in accordance with Section 4.2.2.

4.5.3. Member Contributions and Third Party Liability. This Section 4.5 will not prohibit the collection of any Deductible, Copayment, or Coinsurance in accordance with Section 4.4 hereof. In addition, this Section 4.5 will not prohibit the billing and collection of amounts payable by third party carriers when such parties are responsible for paying for Covered Services in accordance with our coordination of benefits and third party liability policies.

4.5.4. Survival. You further agree that the provisions of this Section 4.5 will survive termination of this Agreement regardless of the causes giving rise to such termination, will be construed to be for the Members' benefit, and will supersede any oral or written contrary agreement now existing or hereafter entered into between you and a Member or persons acting on behalf of a Member.

4.5.5. Non-Covered Services. You agree not to bill, charge, seek compensation, remuneration or reimbursement from any Member, us, or any third party for health care services and/or supplies provided to Members which are determined by us not to be Medically Necessary, or are not payable due to your failure to follow our applicable Policies and Procedures, except as provided in Section 4.5.6 below.

4.5.6. Member's Written Authorization Required. Notwithstanding the provisions of Section 4.5.5, you may seek compensation from the Member for non-Medically Necessary Services or other non-Covered Services only if you obtain the written authorization of the Member prior to rendering the services. Such authorization must reference the specific services and/or supplies to be provided, contain the Member's acknowledgment that such services and/or supplies may not be covered by his or her Benefit Plan, and indicate the Member's agreement to pay for such services and/or supplies apart from his or her Benefit Plan. You further agree to provide us with a copy of any and all such written authorizations upon request.

4.6. Retroactive Eligibility Adjustments. You agree to accept and abide by retroactive adjustments made by us to our Member eligibility records and associated adjustments to your reimbursement. We agree to use best efforts to make retroactive adjustments within ninety (90) days after

agree to maintain medical records on the same basis as for all other patients, and to make such information available to us and other Provider Network providers when necessary for the treatment and evaluation of Members, as permitted by law or the terms and conditions governing the Member's Benefit Plan. You agree that we or our designated representative have the right upon thirty (30) days prior written notice, to inspect and audit at reasonable times your medical and financial records relating to services and/or supplies provided to Members and the administration of this Agreement, and you agree to duplicate and submit to us at no charge copies of such records as might be reasonably requested by us. Such right of audit may be for the purpose of complying with requests of the North Carolina Department of Insurance, verifying services provided, verifying contract compliance, or such other lawful purposes as we may reasonably require. Notwithstanding the above, no prior written notice shall be required when we inspect and audit based on suspected fraud or abuse.

6.1.2. Access to Records. You agree to release medical records at no charge to us, and upon request you agree to release medical records to the North Carolina Department of Insurance in conjunction with its regulation of us. We warrant that we have the contractual right with Members to obtain any and all patient information from you for the purpose of making benefit determinations. You agree to obtain any additional Member authorization you determine to be needed for you to release medical records to us.

6.1.3. Patient Confidentiality. Both parties agree to maintain the confidentiality of Member records and personal information and to use Member information only in connection with lawful purposes. Both parties agree that they cannot use or disclose Member records and personal information in any way that is not explicitly authorized by this Agreement or by applicable law. Both parties further agree to comply with the privacy and security obligations set forth by any applicable state or federal law, including (as applicable), but not limited to those set forth in North Carolina's Insurance Information and Privacy Protection Act (Article 39, Chapter 58 of the General Statutes of North Carolina), the Gramm-Leach-Bliley Act, and the privacy and security provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and any regulations promulgated thereunder. In the event of a conflict between or among any applicable laws or regulations described in this Section in which you cannot perform so that all relevant legal authorities are given effect, you shall notify us and we will confer in good faith to reach mutual agreement about which law will govern the performance under this Agreement. To the extent that the privacy and/or security requirements of applicable law conflict with the provisions of this Agreement, the requirements of the applicable law shall prevail.

6.1.4. Survival. The provisions of this Section 6.1 will survive termination of this Agreement.

6.2. Notices.

6.2.1 Notice Options. Any notice to be given under this Agreement will be in writing, addressed to the other party at the address listed below, or such other new address as designated by notice to the other party, and will be effective upon (a) depositing such notice for delivery with the United States Postal Services, postage prepaid, certified or registered mail with return receipt requested; (b) depositing such notice for delivery with a commercial courier service; (c) hand delivery; or (d) electronic notice as described below.

Mailed notices to us will be addressed as follows:

Vice President, Network Management  
Blue Cross and Blue Shield of North

Mailed notices to you will be addressed as follows:

Pioneer Health Service of Stokes County,  
Inc. d/b/a Pioneer Community Hospital of  
Stokes



6.5.1. Contacting Us. In the event that a dispute under this Agreement cannot be addressed to your satisfaction by our customer services department, you should contact our Network Management department.

6.5.2. Non-binding Mediation. Any dispute between the parties concerning or arising out of this Agreement, which cannot be resolved informally in accordance with Section 6.5.1, will be subject to non-binding mediation at the request of either party. However, in no event will this Section 6.5.2 be applied to any dispute that would affect a Member's costs, rights, or coverage, including but not limited to appeals and grievances and utilization review.

6.6. Entire Agreement and Amendments.

6.6.1. Entire Agreement. This agreement, together with the attached Exhibits, provider manual and documents incorporated by reference, constitutes the entire Agreement between the parties. Any prior agreements, promises, negotiations, or representations, either oral or written, relating to the provision of services to Members covered under this Agreement are of no force and effect.

6.6.2. Amendments. This Agreement may be amended by written mutual agreement of the parties, or as follows:

6.6.2.1. Changes in Law. In the event that we determine that federal and/or state law or regulation or NCQA or other applicable accrediting organization requires amendments to this Agreement, we agree to provide you no fewer than sixty (60) days' prior written notice of such amendments and upon expiration of such sixty (60) day period, this Agreement will be automatically amended to include the amendments set forth in our notice.

6.6.2.2. All Other Terms. We may amend any other terms of this Agreement, other than reimbursement terms, by providing no fewer than sixty (60) days' prior written notice to you. At any time, we may amend the Benefit Plan Exhibit by providing no fewer than sixty (60) days' prior written notice to you.

6.7. Governing Law. This Agreement will be governed and construed in accordance with the laws of the State of North Carolina, excluding its choice of law and/or conflicts of law provisions. The parties hereby consent and agree that the venue for any legal action under or relating to this Agreement will be a legally appropriate venue in the State of North Carolina.

6.8. Waiver and Severability.

6.8.1. Waiver. The waiver of either party of a breach or violation of any provision of this Agreement will not be construed to be a waiver of any subsequent breach thereof.

6.8.2. Severability. In the event any provision of this Agreement conflicts with or is rendered invalid or unenforceable by the laws under which this Agreement is to be construed, or if any other provision is held invalid by a court with jurisdiction over the parties to this Agreement, such provision will be deleted from the Agreement and the Agreement will be construed to give effect to the remaining provisions of it.

6.9. Confidentiality. You agree that this Agreement, including but not limited to Member lists, reimbursement rates and methodologies, are competitively sensitive and will not be disclosed to any third party, except your attorney(s), agents and consultant(s), in part or in whole, without our prior written authorization, except as required by law. You agree that all such attorney(s), agents and consultant(s) will first execute an agreement to keep confidential all such information disclosed to them, and you agree to

**EFFECTIVE DATE:** January 1, 2013

**List of Exhibits**

Site of Service Exhibit  
Benefit Plan Exhibit  
Reimbursement Exhibit



### **Benefit Plan Exhibit**

The following are Benefit Plans covered under this Agreement, except to the extent specifically excluded below:

PPO  
HMO  
Other Members

The following are benefit plans or products not covered under this Agreement:

POS  
Medicare Advantage  
Medicare Supplement

1.2.11. "High Charge Multiplier" The value as set forth in Attachment 1 of this Reimbursement Exhibit which is used to determine the Allowed Amount for a High Charge Outlier, if applicable.

1.2.12. "High Charge Outlier" An Inpatient case which meets the selection criteria as set forth in Attachment 1 of this Reimbursement Exhibit, and which does not result in an Exclusion or a Low Length of Stay Outlier, if applicable.

1.2.13. "High Charge Threshold" The monetary amount as set forth in Attachment 1 of this Reimbursement Exhibit which is used to determine if an Inpatient case qualifies as a High Charge Outlier, if applicable.

1.2.14. "Inlier" An Inpatient case which: (i) the length of stay either falls on or exceeds the Low Length of Stay Trim Point for the applicable DRG; (ii) does not present any of the factors which would cause the Inpatient case to be considered an Outlier; and (iii) is not an Exclusion, if applicable.

1.2.15. "Inpatient" A hospital admission in which the Member is a registered bed patient beyond the midnight census taking hour and for whom a room and board Charge is applied; for or relating to an Inpatient.

1.2.16. "Inpatient Percent Reimbursement" The Inpatient Percent Reimbursement will be an amount as set forth in Attachment 1, if applicable.

1.2.17. "Length of Stay" The number of days for which the Inpatient services are provided to a Member who is admitted to an Inpatient bed beyond the midnight census taking hour. If the Member is readmitted within three (3) days of a prior discharge, the readmission will be deemed to be a continuation of such prior admission for Allowed Amount purposes. When determining Low Length of Stay Outlier status, the days between the prior discharge and the readmission will in no event be considered a portion of the Length of Stay, if applicable.

1.2.18. "Low Length of Stay Outlier" An Inpatient case for which the Length of Stay is less than the Length of Stay Trim Point and which does not result in a Member Expired or an Exclusion, if applicable.

1.2.19. "Low Length of Stay Trim Point" With respect to each DRG, the number of days set as the lower limit of Inlier status. Length of Stay Trim Points are set forth in Attachment 4 of this Reimbursement Exhibit, if applicable.

1.2.20. "Member Expired" An Inpatient admission during which the Member dies, if applicable.

1.2.21. "Outlier" A hospital admission which is (a) a Low Length of Stay Outlier, or (b) a High Charge Outlier, if applicable.

1.2.22. "Outpatient" A hospital service in which the Member is not a registered bed patient beyond the midnight census taking hour and for whom a room and board Charge is not applied; for or relating to an Outpatient, if applicable.

1.2.23. "Outpatient Category" A system of medically meaningful and statistically significant groupings of outpatient services, each with an assigned fee maximum. Each such grouping is an Outpatient Category. Attachment 5 of this Reimbursement Exhibit sets out the Outpatient Fee Schedule, if applicable.

3.1. Commencing on January 1, 2013, and for the entire time period this Agreement is in effect, the Inpatient Percent Reimbursement Rate, and Outpatient Percent Reimbursement Rate will be subject to adjustment, unless waived in writing by us:

3.2. We will review each of your Inpatient and/or Outpatient Charge Increase and/or Decrease, and when we determine such increase and/or decrease to be material, we will adjust the applicable rates, as listed in this Section 3, then in effect as follows:

3.2.1. Your Inpatient and/or Outpatient Percent Reimbursement will be divided by one (1) plus your applicable Inpatient and/or Outpatient Charge Increase and/or Decrease.

3.2.1.1. The resulting quotient(s) will be the applicable adjusted Inpatient and/or Outpatient Percent Reimbursement.

3.3. You will inform us in writing, by providing to us the information requested in Attachment 3, at least thirty (30) days in advance of any increase and/or decrease in your Charges for your services or supplies.

3.4. We will inform you in writing of any adjustment under this Section 3.

3.5. The effective date of any adjustment under this Section 3 will coincide with the effective date of your Charge Increase and/or Decrease.

#### 4. EXCLUDED SERVICES

4.1. The following services are excluded under all Attachments to this Agreement and must be billed to us under a professional services arrangement pursuant to CMS-1500 or successor claim forms:

4.1.1. Outpatient physical, occupational, and/or speech therapy services billed under UB-92 or successor revenue code 42x, 43x, 44x.

4.1.2. Clinic services billed under UB-92 or successor revenue codes 510, 519 and/or 520.

4.2. The following services are excluded under all Attachments to this Agreement and must be billed to us under an ancillary services arrangement pursuant to UB-92 or successor claim forms:

4.2.1. Skilled nursing services or sub-acute care services billed under UB-92 or successor revenue code 19x

4.2.2. Swing bed services billed under UB-92 or successor revenue code 19x

4.3. The following services are excluded as Covered Services for HMO:

4.3.1. Inpatient behavioral health services

4.3.2. Outpatient behavioral health services

#### 5. HOSPITAL-BASED PHYSICIAN PARTICIPATION

**Reimbursement Exhibit  
Other Members**

**1. DEFINITIONS**

1.2. **Additional Definitions.** In addition to the definitions set forth in Section 1 of the Hospital Participation Agreement, the following additional terms are defined for the purposes of this Reimbursement Exhibit.

1.2.1. "Allowed Amount" The monetary amount calculated in accordance with this Reimbursement Exhibit and all Attachments hereto based on our calculation of your Inpatient or Outpatient Covered Services. The Allowed Amount is calculated before applying deductions including, but not limited to, those for Coinsurance, Copayment, Deductible, non-Covered Services or amounts paid or payable by other parties.

1.2.2 "Charges" Your regularly established charges to the general public and on file with us pursuant to Attachment 5 of this Reimbursement Exhibit. As of the effective date of this Agreement, your Charges are those filed with us as of July 1, 2011.

1.2.3. "Other Members" means a Member for whom you provide health care services who is enrolled in a Benefit Plan which is not an HMO or PPO Benefit Plan.

**2. ALLOWED AMOUNT**

2.1. For Other Members you agree to accept One Hundred percent (100%) of your Charges.

**3. EXCLUDED SERVICES**

3.1. The following services are excluded under this Reimbursement Exhibit and must be billed to us under a professional services arrangement pursuant to CMS-1500 or successor claim forms:

3.1.1. Outpatient physical, occupational and/or speech therapy services billed under UB-92 or successor revenue codes 42x, 43x, 44x

3.1.2. Clinic services billed under UB-92 or successor revenue codes 510, 519 and/or 520.

3.2. The following services are excluded under this Reimbursement Exhibit and must be billed to us under an ancillary services arrangement pursuant to UB-92 or successor claim forms:

3.2.1. Skilled nursing services or sub-acute care services billed under UB-92 or successor revenue code 19x

3.2.2. Swing bed services billed under UB-92 or successor revenue code 19x



Attachment 2

Outpatient Covered Services

1. Outpatient Covered Services. The Allowed Amount for Outpatient Covered Services will be your Charges multiplied by the Outpatient Percent Reimbursement.

1.1. For the Outpatient claims adjudicated on our Legacy claims adjudication platform, the Outpatient Percent Reimbursement for the period beginning January 1, 2013 will be sixty-five and zero tenths percent (65.0%).

1.2. For the Outpatient claims adjudicated on our Power MHS claims adjudication platform, the Outpatient Percent Reimbursement for the period beginning January 1, 2013 will be as listed below:

1.2.1	Revenue Codes 300-309	60.0%
1.2.2	Revenue Codes 320-329	60.0%
1.2.3	Revenue Codes 350-359	60.0%
1.2.4	Revenue Codes 420-449	60.0%
1.2.5	Revenue Codes 450	60.0%
1.2.6	All others	63.0%

2. Billing. You agree to include the appropriate revenue codes and CPT/HCPCS code on the claim form submitted to us.

NETWORK PARTICIPATION AGREEMENT  
ATTACHMENT 3.1

Supporting Data for Charge Increases and/or Decreases

HOSPITAL \_\_\_\_\_

Mailing  
Address \_\_\_\_\_

BUDGET YEAR  
ENDING \_\_\_\_\_

I have examined the attached forms and exhibits, schedules, and explanations affixed hereto. To the best of my knowledge and belief, the information set forth herein is factually correct.

Name (Please Print) \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

Person to be Contacted \_\_\_\_\_

Title \_\_\_\_\_

Telephone \_\_\_\_\_ Ext. \_\_\_\_\_

E-Mail Address \_\_\_\_\_

NETWORK PARTICIPATION AGREEMENT  
ATTACHMENT 3.3

MEDICAL AND SURGICAL  
SUPPLIES AND PHARMACY PRICING FORMULAE

A. MEDICAL AND SURGICAL SUPPLIES

1. Medical and Surgical Supply Pricing Formula

(formula for the budget year must be reported)

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2. Indicate if the Medical and Surgical Supply Pricing Formula or markup has changed since the previous period?

( ) Yes ( ) No

B. PHARMACY ITEMS

1. Pharmacy Item Pricing Formula

(formula for the budget year must be reported)

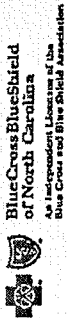
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2. Indicate if the Pharmacy Item Pricing Formula or markup has changed since the previous period?

( ) Yes ( ) No



Blue Cross Blue Shield of North Carolina  
As Independent Licensee of the  
Blue Cross and Blue Shield Association

NETWORK PARTICIPATION AGREEMENT ATTACHMENT 3.5  
STATEMENT OF ACCOMMODATION CHARGES

GENERAL ACCOMMODATIONS				NURSERY		Name of Hospital	
CLASSIFICATION	# OF BEDS	UB-04 REV	CHARGE	ROUTINE	PREMATURE	UB-04 REV CODE	Blue Cross # Medicare # IFS # Effective Date Signature (Hospital CEO or CFO): Date:
SP		0120	\$			0170	
SP		0120	\$			0172	
SP			\$				
WARD		0130	\$				
WARD			\$				
P		0110	\$				
P		0110	\$				
P		0110	\$				

NOTE: Do Not Include Intensive Care Nursery Here, But Rather In Critical Care Unit Section Below.

Licensed Beds (excl. Bassinets) \_\_\_\_\_

Bassinets \_\_\_\_\_

CLINICAL SPECIALTY				CLINICAL SPECIALTY			
CLASSIFICATION	# OF BEDS	UB-04 REV CODE	CHARGE	CLASSIFICATION	# OF BEDS	UB-04 REV CODE	CHARGE
PSYCHIATRIC				ONCOLOGY			
ADULT SP		0124	\$	SP		0127	\$
ADULT P		0114	\$	P		0117	\$
ADOL SP			\$				\$
ADOL P			\$	SUBSTANCE ABUSE			
			\$	SP			\$
CHILD SP			\$	P			\$
CHILD P			\$				\$
			\$	REHABILITATION			
OBSTETRIC				SP			\$
SP		0122	\$	P			\$
P		0112	\$				\$
			\$	OTHER			
PEDIATRIC				SP			\$
SP		0123	\$	P			\$
P		0113	\$				\$